

NSC BRIEFING

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24 OCTOBER 1956

BACKGROUND--SUEZ DEVELOPMENTS

1. Canal Operations: Ships are still moving normally through the canal, and no backlog is reported. Grounding of ships, attributable to the October fog season, have resulted in transit delays of 1 to 8 hours. This is not considered exceptional. Cargo insurance rates are now back to pre-nationalization levels.

Since 15 September, when most non-Egyptian employees quit, about 40 ships per day, on the average, have moved through the canal. This compares with an average of 45 during the six months before nationalization. On 8 October, 56 ships, the highest number since nationalization, passed through.

The Egyptian authorities claimed, as of 9 October, to have 222 pilots on duty or in training. 140 were said to be capable of taking ships through the canal, 20 were working in the Port Said and Suez harbors, and 62 were undergoing training. These figures are probably padded. Also they do not take into account the fact that, even among the trained pilots, relatively few are qualified to guide large vessels. The Egyptians have also cut training time, by schooling pilots only for one-way transits of half the canal's length, rather than training them for both directions and the full route, as the company did.

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2. Egyptian Position: Egypt is sticking to the basic position it has held since the onset of the dispute. Cairo has reacted sharply to British and French requests that Egypt submit specific proposals to implement the six "principles" agreed to at the UN. Foreign minister Fawzi has termed these requests "procrastination" and has insisted that the Egyptian stand is well known and is an adequate basis from which negotiations can proceed. Nasr, in an interview with the UP on 20 October, again rejected negotiation with SCUA, on the ground that its membership is too narrow. He emphasized that Egypt would regard payment of tolls to SCUA "a hostile activity."

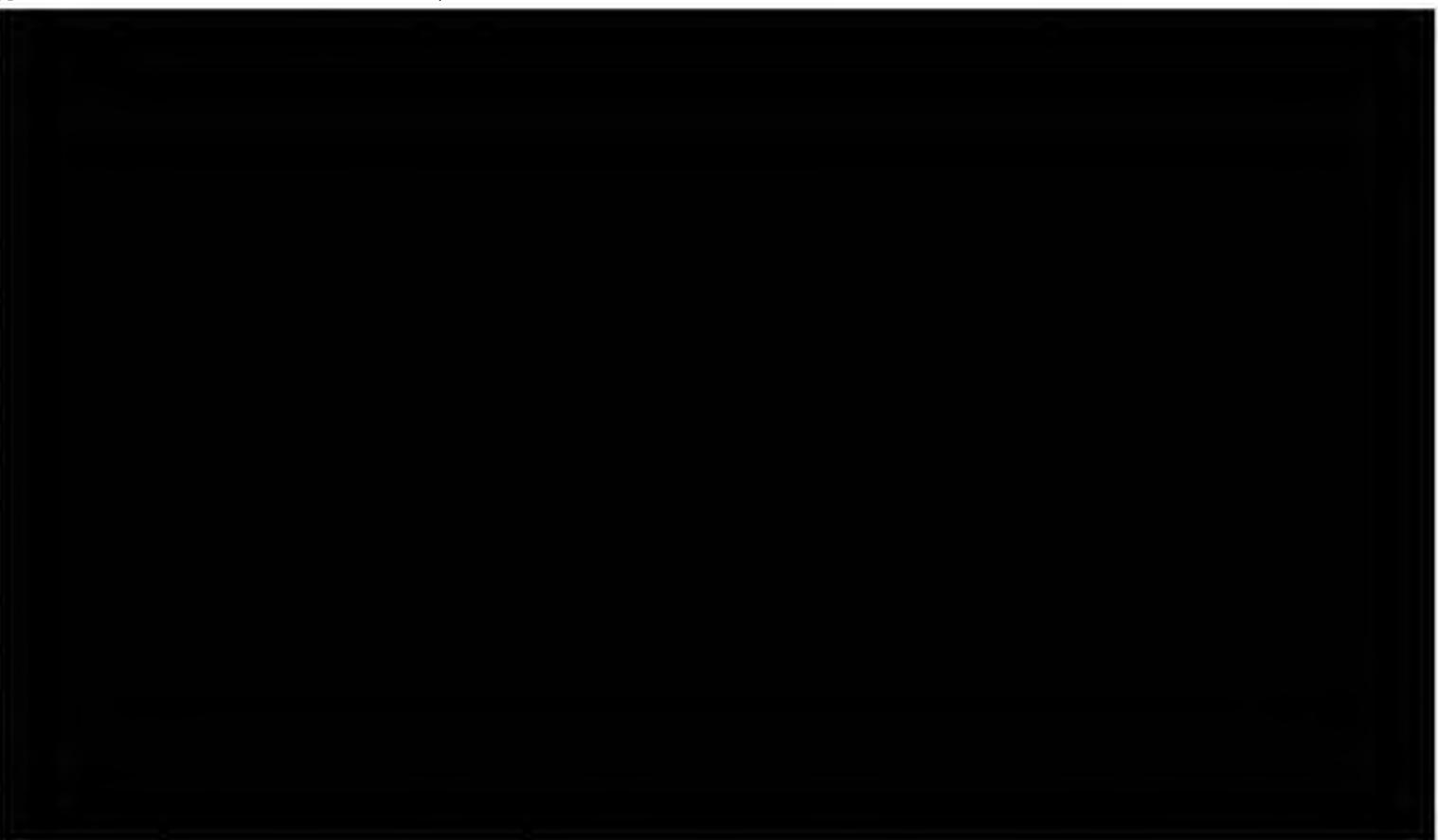
3. Jordan Elections: Nasr's hand does not seem to have been strengthened or weakened appreciably by the Jordan parliamentary elections on 21 October, although Cairo has claimed the result testifies to the popularity of Egyptian policy. The candidates elected to the forty seats in Jordan's ^{lower} ~~law~~ house are, with few exceptions, anti-Western. Almost all are on record as advocating abrogation of the Anglo-Jordanian treaty. A smaller number favors closer ties with Egypt. Extremists on both the right and left made some gains in these elections; a crypto-Communist "National Bloc" won 3 seats, the largest formal representation the extreme left has in any Arab parliament. However, 13 of the 40 are independents, whose party or ideological preferences may not be clear until the chamber has been organized and a new cabinet named.

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4. Egyptian Military Activity: There have been no significant developments in the Egyptian military picture. (see Annex A) The specific whereabouts of the four Soviet submarines believed operating in the Mediterranean is still unknown. However, two Polish submarines, one of which left the Baltic attended by an auxiliary vessel on 21 October, may be destined for Egypt. If so, ONI estimates their date of arrival in Egyptian waters as 6 November.

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6. French Military Preparations: French military preparations for possible operations against Egypt appear to have decreased markedly since early September. There is, however, an unconfirmed report of a French Air Force movement to Cyprus. Secrecy concerning withdrawals and movements seems to indicate a French desire to maintain the threat of military action.

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Ground Forces: The number of French troops on Cyprus is still estimated at 4,000, although there are indications the force may be as small as 1,500. [redacted] reports on 15 October that the French now have only a token force of 250 at Djibouti.

Naval Forces: Reports indicate that some merchant shipping, which had been requisitioned for use by the Army, has now been released. No significant recent movements of the French Mediterranean fleet, based at Toulon, have been reported.

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Air Forces: [redacted] France reported on

12 October that maintenance personnel of an F84F squadron had left their base in northern France for Cyprus, and that they were to be followed on 19 October by 20 F84F aircraft. The same source stated that eight F84F aircraft were already on Cyprus. Approximately 1,300 French maintenance personnel have been on Cyprus since early

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September, [redacted] first report of an actual movement of aircraft. USAFE believes that the reason for this movement could be familiarization of French Air Force personnel with operations from Cyprus, rather than operational necessity.

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